

To the Members of the California State Assembly:

I am returning Assembly Bill 756 without my signature.

This bill would establish the Flexible Funding for Pupil Achievement Program, a pilot program that seeks to enhance school-site budget and programmatic control for participating schools. I commend the effort to support local decision making authority and pupil achievement.

However, I believe that eligibility to participate in such a pilot should be limited to schools with a demonstrated capacity to advance the academic progress of their students under the state's academic accountability system. In addition, once in the program, schools should be required to continue demonstrating progress in student academic achievement in order to remain eligible for continued participation. Only in this way can we ensure that students' academic achievement is not being undermined by this experiment in school finance.

I am also concerned that this bill does not provide for adequate budget and programmatic transparency. For local control to function well, it is vital that the local community is fully informed and empowered to participate in the decision making.

Finally, my bi-partisan committee on education excellence is doing a thoughtful review of education funding issues. After those reports are completed, I look forward to working with education leaders on distilling the information and enacting changes that we believe will improve California's education system.

For these reasons, I am unable to sign this bill.

Sincerely,

Arnold Schwarzenegger